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NEWS

NMTBA
The Association For
Manufacturing Technology

FOR RELEASE: August 28, 1989
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Year–to–date machine tool shipments are up 39%, orders down

Year–to–date total machine tool shipments reached $1,743.75 million, up 39% compared to 1988, according to figures released today by NMTBA – The Association For Manufacturing Technology. July shipments stood at $238.25 million, down 27.3% compared to June's $327.55 million. However, compared to July a year ago, July 1989 shipments were up 26.9%.

Total machine tool orders for July fell to $190.90 million, down 20.7 % compared to June's $240.70 million. Year–to–date orders stood at $1,682.70 million, down 18.5% compared to the same period in 1988. Compared to July a year ago, orders were down 25.1%.

The July machine tool order backlog stood at $2,130.20 million, down from the $2,177.55 million tallied in June.

Albert W. Moore, NMTBA president, said, "Year–to–date shipments are up substantially, and that's good news. Taking a look at orders — a decline at this time of year is not unusual, but it is difficult to feel good about the data since orders for the first seven months of 1989 are also off. We are concerned but hopeful that, as we move into fall, the picture may improve." "Additionally," he noted, "tax reform is a matter of growing concern. Two years ago we warned that the capital recovery provisions of the 1986 Tax Reform Bill represented a dangerous step backward. Congress is now considering changes. It is important that the tax code encourages, rather than discourages, investment in America's manufacturing industries."

July's metal cutting machine tool orders totaled $133.35 million, down 16.1% compared to June's $158.85 million. Metal forming equipment orders stood at $57.55 million, down 29.7%

(more)

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from June's total of $81.85 million. Compared to 1988, year–to–date metal cutting orders, standing at $1,195.45 million, are down 21.9%; metal forming orders, at $487.25 million, are down 9.0%. Comparing July 1989 with July 1988, metal cutting machine tool orders were down 28.7% and metal forming orders were down 15.3%.

In July, metal cutting shipments stood at $176.15 million, down 25.3% from the previous month's figure of $235.70 million. Metal forming machine tool shipments for the month were $62.10 million, down 32.4% from the June total of $91.85 million. Year–to–date figures show metal cutting shipments up 56.1% to $1,235.85 million and metal forming shipments up 9.6% to $507.90 million. Compared to the same month a year ago, metal cutting shipments are up 30.8% and metal forming shipments are up 17.2%.

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COMPARISON CHART

NET NEW ORDERS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
JUL 1989	112.30	21.05	133.35	43.35	14.20	57.55	155.65	35.25	190.90
JUN 1989	123.05	35.80	158.85	72.85	9.00	81.85	195.90	44.80	240.70
% CHANGE									
JUL 1989:JUN 1989	-8.7	-41.2	-16.1	-40.5	+57.8	-29.7	-20.5	-21.3	-20.7
JUL 1988	167.55	19.45	187.00	53.80	14.15	67.95	221.35	33.60	254.95
% CHANGE									
JUL 1989:JUL 1988	-33.0	+8.2	-28.7	-19.4	+0.4	-15.3	-29.7	+4.9	-25.1
YEAR TO DATE 1989	1,048.85	146.60	1,195.45	414.30	72.95	487.25	1,463.15	219.55	1,682.70
YEAR TO DATE 1988	1,328.15	201.60	1,529.75	457.75	77.95	535.70	1,785.90	279.55	2,065.45
% CHANGE									
1989 : 1988	-21.0	-27.3	-21.9	-9.5	-6.4	-9.0	-18.1	-21.5	-18.5

SHIPMENTS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
JUL 1989	156.00	20.15	176.15	50.55	11.55	62.10	206.55	31.70	238.25
JUN 1989	199.95	35.75	235.70	70.10	21.75	91.85	270.05	57.50	327.55
% CHANGE									
JUL 1989:JUN 1989	-22.0	-43.6	-25.3	-27.9	-46.9	-32.4	-23.5	-44.9	-27.3
JUL 1988	126.15	8.55	134.70	43.75	9.25	53.00	169.90	17.80	187.70
% CHANGE									
JUL 1989:JUL 1988	+23.7	+135.7	+30.8	+15.5	+24.9	+17.2	+21.6	+78.1	+26.9
YEAR TO DATE 1989	1,100.35	135.50	1,235.85	429.15	78.75	507.90	1,529.50	214.25	1,743.75
YEAR TO DATE 1988	707.15	84.75	791.90	396.00	67.45	463.45	1,103.15	152.20	1,255.35
% CHANGE									
1989 : 1988	+55.6	+59.9	+56.1	+8.4	+16.8	+9.6	+38.6	+40.8	+38.9

Source: NMTBA - The Association For Manufacturing Technology

INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1988	$ 749.35	$ 133.60	$ 882.95	$ 385.70	$ 702.20	$ 122.35	$ 824.55
1989							
JAN	$ 56.60	$ 7.25	$ 63.85	$ 400.20	$ 42.20	$ 7.15	$ 49.35
FEB	$ 57.05	$ 9.95	$ 67.00	$ 389.65	$ 66.40	$ 11.15	$ 77.55
MAR	$ 58.20	$ 11.70	$ 69.90	$ 380.35	$ 67.00	$ 12.20	$ 79.20
APR	$ 76.40	$ 13.35	$ 89.75	$ 404.60	$ 58.80	$ 6.70	$ 65.50
MAY	$ 49.85	$ 7.50	$ 57.35	$ 379.60	$ 74.10	$ 8.25	$ 82.35
JUN	$ 72.85	$ 9.00	$ 81.85	$ 369.60	$ 70.10	$ 21.75	$ 91.85
JUL (P)	$ 43.35	$ 14.20	$ 57.55	$ 365.05	$ 50.55	$ 11.55	$ 62.10
7 MONTHS	$ 414.30	$ 72.95	$ 487.25		$ 429.15	$ 78.75	$ 507.90

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1988	$ 788.25	$ 138.45	$ 926.70	$ 38.90	$ 4.85	$ 43.75
1989						
JAN	$ 60.50	$ 7.50	$ 68.00	$ 3.90	$ .25	$ 4.15
FEB	$ 58.65	$ 10.35	$ 69.00	$ 1.60	$ .40	$ 2.00
MAR	$ 62.90	$ 11.85	$ 74.75	$ 4.70	$ .15	$ 4.85
APR	$ 77.95	$ 13.40	$ 91.35	$ 1.55	$ .05	$ 1.60
MAY	$ 50.20	$ 7.55	$ 57.75	$ .35	$ .05	$ .40
JUN	$ 74.85	$ 9.25	$ 84.10	$ 2.00	$ .25	$ 2.25
JUL (P)	$ 44.00	$ 14.25	$ 58.25	$ .65	$ .05	$ .70
7 MONTHS	$ 429.05	$ 74.15	$ 503.20	$ 14.75	$ 1.20	$ 15.95

P - Preliminary
Source: NMTBA - The Association For Manufacturing Technology